

INTER-OFFICE MEMO

May 27, 2010

TO: Rosemary Booth-Gallogly

DEPT: Department of Administration

FROM: James Botvin, Chairman

DEPT: Division of Motor Vehicles

SUBJECT: HEARING BOARD RESULTS

Please be advised of the following matters which were heard before the Board on Thursday , May 27, 2010. Board members: James Botvin, Thomas Celona and Sgt. David Doucet of the Rhode Island State Police.

Also be advised the following people were present during the hearing Steven Raffa Esq., Division of Legal Services.

Absent: Walter Craddock, Esq., Dennis Gerstmeyer, Michael Vispo and Richard Interrante.

**MEETING OF MAY 27, 2010 AT 9:00 AM AT
PAWTUCKET CITY HALL- CITY COUNCIL CHAMBERS, 3RD FLOOR,
137 ROOSEVELT AVENUE, PAWTUCKET, RI 02860**

**1. REVIEW AND ACCEPTANCE OF THE MINUTES OF THE MAY 13.
2010
BOARD HEARING.**

Minutes have been reviewed and accepted by the board.

**2. PROVIDENCE MOTOR SPORTS, INC. d/b/a VESPA
PROVIDENCE/APRILIA PROVIDENCE (Bruce R. Beard, Jr. Pres.)
TRANSFER APPLICATION – CASE # KR-10-142
FROM 1670 MINERAL SPRING AVENUE, NORTH PROVIDENCE, RI
02904
TO 1284 NORTH MAIN STREET, PROVIDENCE, RI 02904**

**Decision: The Board has approved the transfer application, no
outstanding issues.**

**3. TARBOX HYUNDAI, LLC, d/b/a TARBOX BIG LOT (Edward Tarbox,
Pres. / Joshua Teverow, Esq.)
FIRST APPLICATION – CASE # KR-10-141
TO DEAL IN USED MOTOR VEHICLES ONLY
AT: 405 QUAKER LANE, WEST WARWICK, RI**

James Botvin has recused himself from this hearing.

Decision: The Board has determined that the dealership must make a new request to the Dealers License and Regulations Office for authorization for each specific date they want to hold a special sale at this location.

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**4. TARBOX TOYOTA (Edward Tarbox, Pres. / Joshua Teverow, Esq.)
UPDATE THE BOARD ON THE NEW BUILDING – CASE # KR-60161**

James Botvin has recused himself from this hearing.

Decision: The Board has reaffirmed the previous decision of the Board dated June 26, 2006 made in regards to the transfer request.

**5. DEALERS' LICENSE & REGULATIONS OFFICE V CAPRICE AUTO
SALES (Shawn Tran, Pres.)
SHOW CAUSE HEARING – CASE # DS-10-112**

1ST RESCHEDULED HEARING

Sgt. David Doucet of the Rhode Island State Police has recused himself from this hearing.

Decision: The Board has determined that the dealerships privilege to purchase and distribute temporary plates be suspended for 1 year and that the dealer be required to turn in 6 dealer plates, 83D,E & F, H, I and 937K immediately upon receiving the formal decision.

The Board has also determined that Caprice Auto Sales is in violation of RIGL§ 31-5-11(11), having indulged in any unconscionable practice relating to business as a motor vehicle dealer, and is required to pay a fine totaling \$500.00 to the Dealers License and Regulations Office within 10 days of receiving the formal decision.

6. ERIC NOURY (John Harwood, Esq.)

REQUEST TO SPEAK TO THE BOARD – CASE # DS-2010

1ST RESCHEDULED HEARING

Decision: The Board has approved the reinstatement of dealer license, number 100 for the main location and license 2 for the annex location, for Aspen Auto Sales Inc., effective upon receipt of the 2009 and 2010 surety bond by the Dealers License and Regulations Office. All previous conditions in effect previously still apply.

7. ELIZABETH A BOWIE V CORPORATE ONE AUTO SALES (Gagik Mkrtchian, Owner)

COMPLAINT / SHOW CAUSE HEARING –CASE # DS-09-268

1ST CONTINUED HEARING

Decision: The Board has determined that the dealership must reimburse the consumer \$2,442.18 for repairs made to the vehicle.

The Board has also determined that Corporate One Auto Sales is in violation of the following Rhode Island Rules and Regulations and Rhode Island General Laws and is required to pay the amounts listed below which total \$3000.00 to the Rhode Island Dealer's License and Regulations Office within 10 days after receiving the formal decision.

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Fine: \$2,500.00: (\$500.00 Fine for each subsection of the law violated.)

Violation of RIGL§ 31-5-11 (1),(3),(4),(10) and (11): Subsection 1: Unfitness of applicant to do business. Subsection 3: Willful failure to comply with the provisions of this section. Subsection 4: Willfully defrauding a buyer of a motor vehicle. Subsection 10: For having

indulged in unconscionable practices relating to business as a motor vehicle dealer. Subsection 11: For violating any law relating to the sale, distribution or financing of motor vehicles.

Fine: \$500.00: Violation of RIGL§ 31-3-20: Non bona fide employee.

8. PETER GENDREAU, JR. V CORPORATE ONE AUTO SALES (Gagik Mkrtchian, Owner)

COMPLAINT / SHOW CAUSE HEARING – CASE # KR-10-049

1ST CONTINUED HEARING

Decision: The Board has determined that the dealership must buy back the vehicle from the consumer for \$3,500.00.

The Board has also determined that Corporate One Auto Sales is in violation of the following Rhode Island Rules and Regulation and Rhode Island General Laws and is required to pay the amounts listed below which total \$7000.00 to the Rhode Dealer 's License and Regulations Office within 10 days after receiving the formal decision

Fine: \$1500.00: (\$500.00 Fine for each sub-section of the law violated.)Violation of RIGL§ 31-5-11(3),(10) & (11): Subsection 3: Willful failure to comply with the provisions of this section. Subsection 10: For having indulged in unconscionable practices relating to business as a motor vehicle dealer. Subsection 11: For

violating any law relating to the sale, distribution or financing of motor vehicles.

Fine: \$500.00: Violation of Rhode Island Rules and Regulations Section VI (R): Failure to inspect vehicles prior to selling them.

Fine: \$4000.00: (8 Violations x \$500.00 per violation) Violation of RI Rules and Regulations Section VI (L): For allowing a non-employee to act as an agent of the dealership.

Fine: \$500.00: Violation of RI Rules and Regulations Section VI (Q): Improper display and for selling vehicles on a consignment basis.

Fine: \$500.00: Violation of RI Rules and Regulations Section VII (E): Improper language on bill of sales.

The Board has determined the Corporate One Auto Sales' license do to business, number 480, be revoked immediately and that the dealership should return his license and dealer plates, 274A-C to the Dealers License and Regulations Office immediately upon receiving formal decision.

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**9. DEALERS' LICENSE & REGULATIONS OFFICE V CORPORATE
ONE AUTO SALES (Gagik Mkrtchian, Owner)
SHOW CAUSE HEARING – CASE # KR-10-81 A**

Decision: The Board has determined that no action be taken because the dealerships license 480, to do business has been previously revoked.

**10. MARYANN SNEAD V CORPORATE ONE AUTO SALES (Gagik
Mkrtchian, Owner)
COMPLAINT / SHOW CAUSE HEARING – CASE # KR-10-081**

Decision: The Board has determined that the dealership must buy back the vehicle from the consumer for \$4,800.00 and reimburse the consumer \$1,150.82 for money spent on a rental vehicle for a total amount of \$5950.82.

The Board has also determined that Corporate One Auto Sales is in violation of RIGL§ 31-5-11,(10) & (11) having indulged in any unconscionable practice relating to business as a motor vehicle dealer and for having violated any law relating to the sale, distribution

or financing of a motor vehicle.

The Board has also found the Dealership in violation of the following Rhode Island Rules and Regulations and is required to pay the following fines which total \$1,500.00 to the Dealers License and Regulations Office within 10 days of receiving the formal decision

Fine: \$500.00: Violation of RI Rules and Regulations Section VII(E): Required information not on bill of sales.

Fine: \$500.00: Violation of Rhode Island Rules and Regulations Section VI (R): Failure to inspect vehicles prior to selling them.

Fine: \$500.00: Violation of RI Rules and Regulations Section VI(L): For allowing a non-employee to act as an agent of the dealership.

**11. STEVEN STOYANOFF V AUTO COUNTRY SALES & SERVICE, INC.
(Karen Morrow, Pres./Robert Cola Giovanni, Esq.)**

COMPLAINT/SHOW CAUSE HEARING – CASE # KR-10-039

1ST RESCHEDULED HEARING

The dealership has purchased the vehicle in question from the complainant prior to this hearing and has made him whole.

The Board has found that Auto Country Sales and Service Inc. is in

violation of RIGL§31-5-11(10) and (11). having indulged in any unconscionable practice relating to business as a motor vehicle dealer and for having violated any law relating to the sale, distribution or financing of a motor vehicle.

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The Board has also found the Dealership in violation of the following Rhode Island Rules and Regulations and is required to pay the following fines which total \$1,100.00 to the Dealers License and Regulations Office within 10 days of receiving the formal decision.

Fine: \$100.00: Violation of RI Rules and Regulations SectionVII(E): Required information not on bill of sales.

Fine: \$500.00: Violation of Rhode Island Rules and Regulations Section VI (R): Failure to inspect vehicles prior to selling them.

Fine: \$500.00: Violation of RI Rules and Regulations SectionVI(L): For allowing a non-employee to act as an agent of the dealership.

The Board has also ordered the dealership to deliver copies of all bills of sales in sequential order for the last 12 months to the Dealer's License and Regulations Office within 2 weeks of receiving the formal decision to determine if the dealership is in compliance with RI Rules and Regulations Section VII(H), dealer plate allocation.

**12. MR. JAY BUONGIOVANNI V BALD HILL DODGE CHRYSLER JEEP
(Robert Petrarca, Pres.)**

COMPLAINT/SHOW CAUSE HEARING – CASE # KR-10-035

Decision: The Board has found in favor of Bald Hill Dodge Chrysler Jeep because the Chrysler Warranty states that any after market parts installed on the vehicle will void the warranty.

13. BEATRIZ BAEZ V LAS AMERICA AUTO SALES (Julio Quezada, Pres.)

COMPLAINT/SHOW CAUSE HEARING – CASE # KR-10-090

Decision: The Board has determined that the dealership must buy back the vehicle from the consumer for \$4,100.00. for violating RIGL§31-5-11(10) and (11), having indulged in any unconscionable practice relating to business as a motor vehicle dealer and for having violated any law relating to the sale, distribution or financing of a motor vehicle.

The Board has also determined that Las Amercia Auto Sales is in violation of the following Rhode Rules and Regulations and is required to pay the fines listed below that total \$1500.00 to the Dealers License and Regulations Office within 10 days of receiving the formal decision.

Fine: \$500.00: Violation of Rhode Island Rules and Regulations VI(R): Failure to inspect vehicles prior to selling them.

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Fine: \$500.00: Violation of Rhode Island Rules and Regulations VI(L): For allowing a non-employee to sell vehicles and to act on behalf of the dealership at auctions.

Fine: \$500.00: Violation of Rhode Island Rules and Regulations VII(E): For having issued more than one bill of sale, issuing a bill of sale without the proper language and without the proper information being recorded.

The Board has ordered that this case be referred to the RI Division of Taxation for review.

James Botvin, Chairman

Cc: John DiTomasso, Assistant Administrator, DMV

Michael Vispo, Manager DMV

Steven Raffa, Esq., Division of Legal Services, DOA

Richard Interrante

File